

Committee on Utilities & Telecommunications

Thursday, March 30, 2006 9:45 am – 12:30 pm 404 HOB

ACTION PACKET

Utilities & Telecommunications Committee

3/30/2006 9:45:00AM

Location: 404 HOB

Attendance:

	Present	Absent	Excused
Kenneth Littlefield (Chair)	X		
Bob Allen			Х
Thomas Anderson	X		
Bruce Antone	X		
Gustavo Barreiro	X		
Marti Coley	X		
Anitere Flores	X		
Denise Grimsley	X		
Bob Henriquez	X		· · · · · · · · · · · · · · · · · · ·
Randy Johnson			X
Stan Jordan	X		
Arthenia Joyner	X		
David Mealor	X		
Dave Murzin	X		
Curtis Richardson	X		
Yolly Roberson	X		
Shelley Vana	X		
Totals:	15	0	2

Utilities & Telecommunications Committee

3/30/2006 9:45:00AM

Location: 404 HOB

HB 1199 : Statewide Cable Television Franchises

Favorable With Committee Substitute Yea Nay No Vote Absentee Absentee Yea Nay Bob Allen X Thomas Anderson X Bruce Antone \mathbf{X} Gustavo Barreiro X Marti Coley X Anitere Flores X Denise Grimsley Bob Henriquez X Randy Johnson X Stan Jordan X Arthenia Joyner X David Mealor X Dave Murzin X Curtis Richardson \mathbf{X} Yolly Roberson \mathbf{X} Shelley Vana X Kenneth Littlefield (Chair) X

Total Nays: 4

Total Yeas: 11

HB 1199 Amendments

Ame	endment 1 - amend competition
X	Adopted

Amendment 2 - amend customer service X Adopted

Amendment 3 - amend OPPAGA

X Adopted

Amendment 4 - amend Dept. of State

X Adopted

Amendment 5 - amend Dept. of Ag. resolve complaints

X Adopted

Utilities & Telecommunications Committee 3/30/2006 9:45:00AM

Location: 404 HOB

Amendment 6 - amend Dept. of Ag.

X Adopted

Appearances:

HB 1199

Charles Dudley, General Counsel (Lobbyist) - Proponent

Fla. Cable Telecom. Assoc. 108 S. Monroe St. #200 Tallahassee Florida 32301 Phone: 850-681-0024

HB 1199

John Fons, Governmental Consultant (State Employee) - Proponent

Bell South 2460 Elfinwing Lane Tallahassee Florida 32309 Phone: 850-933-2721

HB 1199

Bob McKee, Fiscal Policy Director (Lobbyist) - Opponent

Florida Associations of Counties

100 S. Monroe St.

Tallahassee Florida 32302 Phone: 850-922-4300

HB 1199

Jeff Koon, Palm Beach Commission - Opponent

F.A.C. 301 N. Olive

West Palm Beach Florida 33401

Phone: 561-355-2202

HB 1199

John W. Smith, Assistant Director (Lobbyist) - Opponent

Florida League of Cities 301 S. Bronough St. Tallahassee Florida 32301 Phone: 850-222-9684

HB 1199

Stephen B. Paciask, Chief Economist - Proponent

The American Consumer Institute 13337 Glen Taylor Lane

Oak Hill VA 20171 Phone: 703-471-3954

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Utilities & Telecommunications Committee 3/30/2006 9:45:00AM

Location: 404 HOB

HB 1199

Jack Marrano, County Commissioner - Opponent

Pasco County

Little Rd.

New Port Richey Florida 34654

Phone: 727-847-8100

HB 1199

Rivers Buford, Deputy Chief of Staff (Lobbyist) (State Employee) - Information Only

Department of State 500 S. Bronough St. Tallahassee Florida 32399

Phone: 850-245-6509

HB 1199

Karen Walker, Attorney (State Employee) - Proponent

Holland & Knight, LLP

315 S. Calhoun St., Suite 600

Tallahassee Florida 32301

Phone: 850-224-7000

Amendment No. (1)

Bill No. **1199**

COUNCIL/COMMITTEE	ACTION
ADOPTED	$\sqrt{(Y)}$ N)
ADOPTED AS AMENDED	(Y/N)
ADOPTED W/O OBJECTION	(Y/N)
FAILED TO ADOPT	(Y/N)
WITHDRAWN	(Y/N)
OTHER	

Council/Committee hearing bill: Utilities &

Telecommunications Committee

Representative Flores offered the following:

Amendment

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Remove line(s) 461 and 462 and insert:

franchise authority located in whole or in part within the
service area

Amendment No. (2)

Bill No. 1199

COUNCIL/COMMITTEE	<u>ACTION</u>
ADOPTED	\sqrt{N}
ADOPTED AS AMENDED	(Y/N)
ADOPTED W/O OBJECTION	(Y/N)
FAILED TO ADOPT	(Y/N)
WITHDRAWN	(Y/N)

Council/Committee hearing bill: Utilities & Telecommunications Committee

Representative Vana offered the following:

Amendment

OTHER

Remove line(s) 486-491 and insert:

610.108 Customer service standards.--

- (1) An incumbent cable service provider shall comply with customer service requirements reasonably comparable to the standards in 47 C.F.R. s. 76.309(c) until there are two or more providers offering service, excluding direct-to-home satellite service, in the relevant service area.
- (2) Beginning not later than July 1, 2009, for all providers of cable service in municipalities and counties that, as of January 1, 2006, have an office or department dedicated to responding to cable service quality complaints, all such complaints shall be handled by the Department of Agriculture and Consumer Services. Until that time, cable service quality complaints shall continue to be handled by the municipality or county. This provision shall not be construed to permit the

HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES Amendment No. (2) municipality or county to impose customer service standards in conflict with this section.

(3) The Department of Agriculture and Consumer

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Amendment No. (3)

Bill No. **1199**

COUNCIL/COMMITTEE ACTION

ADOPTED $\underline{\mathcal{L}}$ $\underline{\mathbf{Y}}$ N)

ADOPTED AS AMENDED ___ (Y/N)

ADOPTED W/O OBJECTION __ (Y/N)

FAILED TO ADOPT $\underline{\hspace{1cm}}$ (Y/N)

WITHDRAWN $_{--}$ (Y/N)

OTHER

Council/Committee hearing bill: Utilities & Telecommunications

2 Committee

Representative offered the following:

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Amendment (with directory and title amendments)

Remove lines 691-696, and insert:

610.116 Reports to the Legislature.--The Office of Program Policy Analysis and Governmental Accountability shall submit to the President of the Senate, the Speaker of the House of Representatives, and the majority and minority leaders of the Senate and House of Representatives, on December 1, 2009, a report on the status of competition in the cable service industry, including, by each municipality and county, the number of cable service providers, the number of cable subscribers served, the number of areas served by fewer than two cable service providers, the trend in cable prices, and the identification of any patterns of service as they impact

610.117 Severability.--If any provision of ss. 610.102-610.116 or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other

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demographic and income groups.

Amendment No. (3)

provisions or application of ss. 610.102-610.116 that can be given effect without the invalid provision or application, and to this end the provisions of ss. 610.102-610.116 are severable.

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Remove line 282, and insert

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610.114, 610.115, 610.116, and 610.117, Florida Statutes, are created to

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======== T I T L E A M E N D M E N T =========

Remove line(s) 14-45 and insert: 610.110, 610.112, 610.113, 610.114, 610.115, 610.116, and 610.117, F.S.; designating the Department of State as the authorizing authority; providing definitions; requiring state authorization to provide cable services; providing duties and responsibilities of the Department of State; providing application procedures and requirements; providing for issuing certificates of franchise authority; providing eligibility requirements and criteria for a certificate; prohibiting the department from imposing taxes, fees, or charges on a cable service provider to issue a certificate; prohibiting imposing buildout requirements on a certificateholder; imposing certain customer service requirements on cable service providers; requiring the Department of Agriculture and Consumer Services to receive customer service complaints; requiring provision of public, educational, and governmental access channels or capacity equivalent; providing criteria, requirements, and procedures; providing exceptions; providing responsibilities of municipalities and counties relating to such channels; providing

Amendment No. (3)

for enforcement; providing requirements for and limitations on counties and municipalities relating to access to public rightof-way; prohibiting counties and municipalities from imposing additional requirements on certificateholders; authorizing counties and municipalities to require permits of certificateholders relating to public right-of-way; providing permit criteria and requirements; prohibiting discrimination between cable service subscribers; providing for enforcement; providing for determinations of violations; providing for enforcement of compliance by certificateholders; providing for applicability of other laws; requiring the Office of Program Policy Analysis and Government Accountability to report to the Legislature on the status of competition in the cable service industry; providing report requirements; providing severability; repealing s. 166.046, F.S.,

Amendment No. (4)

Bill No. **1199**

	Bill No. 220
	COUNCIL/COMMITTEE ACTION
	ADOPTED <u>\(\sqrt{\mathbb{W}}\) \(\sqrt{\mathbb{N}}\)</u>
	ADOPTED AS AMENDED (Y/N)
	ADOPTED W/O OBJECTION (Y/N)
	FAILED TO ADOPT (Y/N)
	WITHDRAWN (Y/N)
	OTHER
1	Council/Committee hearing bill: Utilities &
2	Telecommunications Committee
3	Representative offered the following:
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5	Amendment (with title amendment)
6	Between lines 436 and 437, insert:
7	(11) The department shall adopt procedural rules pursuant
8	to ss. 120.536(1) and 120.54 as may be necessary to implement
9	this section.
10	(12) The department may establish a standard application
11	form, in which case the application shall be on such form and
12	must be accompanied by a fee, not to exceed \$150, to be
13	established by the department.
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15	========= T I T L E A M E N D M E N T ============ .
16	Remove line(s) 22 and insert:
17	certificate; authorizing the department to adopt rules;
18	providing for an application form and fee; prohibiting the
19	department from imposing

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amendment 4 dept of state.doc

Amendment No. (5)

Bill No. 1199

OTHER

Council/Committee hearing bill: Utilities & Telecommunications

Committee

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Representative offered the following:

Amendment

Remove line 493 and insert: of a certificateholder. The departmen

of a certificateholder. The department shall address such complaints in an expeditious manner by assisting the resolution of such complaint between the complainant and the certificateholder. The department shall adopt procedural rules pursuant to ss. 120.536(1) and 120.54 necessary to implement this section.

Amendment No. (6)

Bill No. **1199**

COUNCIL/COMMITTEE	ACTION
ADOPTED	$\sqrt{\langle N \rangle}$
ADOPTED AS AMENDED	(Y/N)
ADOPTED W/O OBJECTION	(Y/N)
FAILED TO ADOPT	(Y/N)
WITHDRAWN	(Y/N)
OTHER	

Council/Committee hearing bill: Utilities & Telecommunications

Committee

Representative

offered the following:

Amendment

Between lines 680 and 681, insert:

(5) The department shall adopt procedural rules pursuant to ss. 120.536(1) and 120.54 necessary to implement this section.

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Utilities & Telecommunications Committee

3/30/2006 9:45:00AM

Location: 404 HOB

HB 1339 : Communications Services Tax

	Yea	Nay	No Vote	Absentee Yea	Absentee Nay
Bob Allen			X		
Thomas Anderson	X				
Bruce Antone	X				
Gustavo Barreiro	X				
Marti Coley	X				
Anitere Flores	X	•			
Denise Grimsley	X				
Bob Henriquez	X	-			
Randy Johnson			X		
Stan Jordan	X				
Arthenia Joyner	X				
David Mealor	X				
Dave Murzin	X				,
Curtis Richardson	X				
Yolly Roberson	X				

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Total Nays: 0

Total Yeas: 15

HB 1339 Amendments

Kenneth Littlefield (Chair)

Amendment 1 - Amend rate

X Adopted	X	Adopted
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Shelley Vana

Appearances:

HB 1339

John W. Smith, Assistant Director (Lobbyist) - Information Only

Florida League of Cities 301 S. Bronough St. Tallahassee Florida 32301

Phone: 850-222-9684

HB 1339

Frank Meiners, Consultant (Lobbyist) - Proponent

Cingular Wireless PO Box 1633

Tallahassee Florida 32302 Phone: 850-591-0177

Utilities & Telecommunications Committee 3/30/2006 9:45:00AM

Location: 404 HOB

HB 1339

Charles Dudley, General Counsel (Lobbyist) - Proponent

Fla. Cable Telecom. Assoc. 108 S. Monroe St. #200 Tallahassee Florida 32301 Phone: 850-681-0024

HB 1339

Missy Timmins (Lobbyist) - Proponent

Verizon Wireless 112 E. Jefferson Suite 200

Tallahassee Florida 32309

Phone: 850-264-3225

Bill No. **1339**

	COUNCIL/COMMITTEE ACTION
	ADOPTED <u>(</u> Y/N)
	ADOPTED AS AMENDED (Y/N)
	ADOPTED W/O OBJECTION (Y/N)
	FAILED TO ADOPT (Y/N)
	WITHDRAWN (Y/N)
	OTHER
1	Council/Committee hearing bill: Utilities & Telecommunications
2	Committee Demographshive (a) Parfield offered the following:
3 4	Representative(s) Berfield offered the following:
5	Amendment (with directory and title amendments)
6	Remove line(s) 71 through 89 and insert:
7	Remove Tille (3) /1 chilough 05 and thisere.
8	(e) The rate imposed in paragraphs (a), (c), and (d) shall
9	be as follows:
10	1. For bills dated on or after October 1, 2001, through
11	December 31, 2006, 6.8 percent;
12	2. For bills dated on or after January 1, 2007, through
13	December 31, 2007, 5.63 percent;
14	3. For bills dated on or after January 1, 2008, through
15	December 31, 2008, 4.63 percent; and
16	4. For bills dated on or after January 1, 2009, 3.63
17	percent.
18	(f) The rate imposed in paragraph (b) shall be as follows:
19	1. For bills dated on or after October 1, 2001, through
20	December 31, 2006, 10.8 percent;

Amendment No. (1)

21	<u>2.</u>	For	bills	dated	on	or	after	January	1,	2007,	through
22	December	31,	2007,	9.63 p	per	cent	<u>:</u> ;				
23	<u>3.</u>	For	bills	dated	on	or	after	January	1,	2008,	through
24	December	31,	2008,	8.63 p	per	cent	; and				
25	<u>4.</u>	For	bills	dated	on	or	after	January	1,	2009,	7.63
26	percent.										
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Utilities & Telecommunications Committee

3/30/2006 9:45:00AM

Location: 404 HOB

HB 1471 : Florida Energy Diversity and Efficiency Act

	Yea	Nay	No Vote	Absentee Yea	Absentee Nay
Bob Allen			X		
Thomas Anderson	X				
Bruce Antone	X				
Gustavo Barreiro	X				
Marti Coley	X				
Anitere Flores	X				
Denise Grimsley	X				
Bob Henriquez	X				
Randy Johnson			X		•
Stan Jordan	X				
Arthenia Joyner	X				
David Mealor			X		
Dave Murzin	X		•		
Curtis Richardson	· X	•	•		
Yolly Roberson	X				
Shelley Vana		X			
Kenneth Littlefield (Chair)	X				
	Total Yeas: 13	Total Nays:	1		

HB 1471 Amendments

Amendment 1 - Strike-All

Print Date: 3/30/2006 2:08 pm

X Adopted

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Bill No. **1471**

COUNCIL/COMMITTEE	CACTION
ADOPTED	$\int \mathcal{Q}_{N}$
ADOPTED AS AMENDED	(Y/N)
ADOPTED W/O OBJECTION	(Y/N)
FAILED TO ADOPT	<u> </u>
WITHDRAWN	(Y/N)
OTHER	
Council/Committee hear	ring bill: Utilities & Telecommunications
Committee	
Representative(s) Att	kisson offered the following:
Amendment (with t	itle amendment)
Remove everything	g after the enacting clause and insert:
Section 1. Short	titleThis act may be cited as the
"Florida Energy Divers	sity and Efficiency Act."
Section 2. Purpo	seThe Legislature finds that the state,
its residents, and its	economy benefit from diverse sources of
fuel for the generation	on of electricity. Diversity of fuel
sources contributes to	lower cost electricity and improved
reliability of electri	c supply, as the state will not be
dependent upon a parti	cular source of fuel. Nuclear power plants
are important sources	of electric generation that contribute to
the diversity of fuel	sources within the state. The state has
five operating nuclear	power plants that have operated reliably
for the benefit of the	state, and contributed a stable supply of

benefited from the operation of existing nuclear power plants

electricity, with minimal impacts on the state's environment.

The citizens of the state and electric power consumers have

HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES Amendment No. (1)

23 within the state through low-cost and reliable energy 24 production, electric grid reliability, and economic and 25 environmental benefits. The Legislature further finds and 26 declares it is in the public interest and critical to the 27 health, prosperity, and general welfare of the state and its 28 citizens to promote the expansion of nuclear generation by the 29 siting of new nuclear power plants within the state so as to 30 continue these benefits and further ensure the state's access to 31 safe, reliable, efficient, and affordable electric service, 32 thereby enhancing the state's economic future while protecting 33 the environment. Recent events have shown the state's 34 vulnerability to disruptions and price volatility in its 35. electric supplies from the importation of natural gas and fuel 36 oil from domestic and foreign sources. The federal Energy Policy 37 Act of 2005 contains important provisions to promote the 38 construction and operation of new nuclear power plants in the 39 United States, including financial incentives for qualifying 40 advanced nuclear power plants and incentives that are limited to 41 the first 6,000 megawatts of advanced nuclear power plant 42 generating capacity licensed in the United States. The state 43 would benefit from timely siting of a qualifying advanced nuclear power plant as a source of low-cost electricity. In 44 45 consideration of the present and predicted growth in electric 46 power needs in this state, and the potential for additional 47 reliable sources of electricity from nuclear power plants, the 48 Legislature finds that there is a need to develop a procedure 49 for the selection and utilization of sites for electrical 50 generating facilities utilizing nuclear energy and for the identification of a state position with respect to each proposed 51 52 site and nuclear power plant. The Legislature recognizes that 53 the selection of sites for new or expanded nuclear-powered

Amendment No. (1)

54	electrical generating plants, including any associated linear
55	facilities, will have a significant impact upon the welfare of
56	the population, the location and growth of industry, and the use
57	of the natural resources of the state. The Legislature finds
58	that the efficiency of the permit application and review process
59	at both the state and local level would be improved with the
60	implementation of a process in which a permit application for
61	nuclear power plants would be centrally coordinated and all
62	permit decisions could be reviewed on the basis of adopted
63	standards and recommendations of the deciding agencies. A
64	centrally coordinated permitting process would also enhance the
65	state's ability to become the location of a qualifying advanced
66	nuclear power plant. Nuclear power plants may also be the
67	location of or otherwise promote other public benefits for water
68	supply projects, industrial development, or other activities.
69	Legislation that addresses issues unique to the siting of
70	nuclear power plants is required to encourage electric utilities
71	to site and operate new nuclear power plant facilities within
72	the state and to take advantage of provisions of the federal
73	Energy Policy Act of 2005 that operate to reduce the overall
74	costs of such plants. The state shall promote and approve new
75	nuclear-powered electrical generating facilities that will
76	reasonably balance the increasing demands for reliable, cost
77	effective electric power and decisions about electrical power
78	plant location, construction, and operation with the broad
79	interests of the public.

Section 3. <u>Definitions.--As used in this act:</u>

- (1) "Act" means the Florida Energy Diversity and Efficiency Act.
- (2) "Agency," as the context requires, means an official, officer, commission, authority, council, committee, department,

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- division, bureau, board, section, or other unit or entity of government, including a regional or local governmental entity.
- 87 (3) "Amendment" means a change in the information provided

 88 by the applicant to the application for certification made after

 89 the initial application filing.
 - (4) "Applicant" means any electric utility as defined under s. 366.8255(1)(a), Florida Statutes, city, town, county, public utility district, electric cooperative, or joint operating agency, or combination thereof, authorized under Florida law to engage in the business of generating, transmitting, or distributing electric energy to retail electric customers in the state.
 - (5) "Application" means the documents required by the department to be filed to initiate a certification proceeding and shall include the documents necessary for the department to render a decision on any permit required pursuant to any federally delegated or approved permit program.
 - (6) "Associated facility" means any facility that directly supports the construction and operation of the nuclear power plant, including, but not limited to, any substation, transmission line that connects the electrical power plant to an electrical transmission network, and right-of-way to which the applicant intends to connect.
 - (7) "Associated transmission line" means any new or upgraded transmission line that is owned by the applicant and connects the electrical power plant to a electrical transmission network or right-of-way to which the applicant intends to connect, including, at the applicant's option, any proposed terminal or intermediate substation, substation expansion connected to the associated transmission line to be certified, or new transmission line or upgrade or improvement of an

Amendment No. (1)

- existing transmission line that is owned by the applicant on any portion of the state's electrical transmission system necessary to support the generation injected into the system from the proposed nuclear power plant.
 - (8) "Board" means the Governor and Cabinet sitting as the Nuclear Power Plant Siting Board.
 - (9) "Certification" means the written order of the board approving an application in whole or with such changes or conditions as the board may deem appropriate.
 - (10) "Completeness" means that the application has addressed all applicable sections of the prescribed application format and that those sections are sufficient in comprehensiveness of data or in quality of information provided to allow the department to determine whether the application provides the reviewing agencies adequate information to prepare the reports required by this act.
 - associated linear facility right-of-way is to be located. The width of the corridor proposed for certification as an associated facility, at the option of the applicant, may be the width of the right-of-way or a wider boundary, not to exceed a width of 1 mile, within which the right-of-way will be located. The area within the corridor in which a right-of-way may be located may be further restricted by a condition of certification. After all property interests required for the right-of-way have been acquired by the applicant, the boundaries of the area certified shall narrow to only that land within the boundaries of the right-of-way.
 - (12) "Department" means the Department of Environmental Protection.

- (13) "Designated administrative law judge" means the administrative law judge assigned by the Division of Administrative Hearings pursuant to chapter 120, Florida Statutes, to conduct the hearings required by this act.
- means any environmental regulatory program approved by an agency of the Federal Government so as to authorize the department to administer and issue licenses pursuant to federal law, including, but not limited to, new source review permits, operation permits for major sources of air pollution, and prevention of significant deterioration permits under the Clean Air Act (42 U.S.C. ss. 7401 et seq.), permits under ss. 402 and 404 of the Clean Water Act (33 U.S.C. ss. 1251 et seq.), and permits under the Resource Conservation and Recovery Act (42 U.S.C. ss. 6901 et seq.).
- (15) "License" means a franchise, permit, certification, registration, charter, comprehensive plan amendment, development order, or permit as defined in chapters 163 and 380, Florida Statutes, or similar form of authorization required by law, including permits issued under federally delegated or approved permit programs, but it does not include a license required primarily for revenue purposes when issuance of the license is a ministerial act.
- (16) "Local government" means a municipality or county in the jurisdiction of which the nuclear power generating facility is proposed to be located, unless the term is expressly stated to also include the local governments in the jurisdiction of which associated facilities or associated transmission lines are located.

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- (17) "Modification" means any change in the certification order after issuance, including a change in the conditions of certification.
- (18) "Nonprocedural requirements of agencies" means any agency's regulatory requirements established by statute, rule, ordinance, or comprehensive plan, excluding any provisions prescribing forms, fees, procedures, or time limits for the review or processing of information submitted to demonstrate compliance with such regulatory requirements.
- (19) "Notice of intent" means that notice which is filed with the department on behalf of an applicant prior to submission of an application pursuant to this act and which notifies the department of an intent to file an application.
- (20) "Nuclear power generating facility" means the nuclear-fueled electrical generating facility within a nuclear power plant but, for purposes of this act, excludes any associated facility or associated transmission line.
- (21) "Nuclear power plant" means, for the purpose of certification, any electrical generating facility using any process involving nuclear materials, fuels, or processes and, at the applicant's election, includes associated facilities and associated transmission lines.
- (22) "Preliminary statement of issues" means a listing and explanation of those issues within the agency's jurisdiction which are of major concern to the agency in relation to the proposed nuclear power plant.
- (23) "Public Service Commission" or "commission" means the agency created pursuant to chapter 350, Florida Statutes.
- (24) "Regional planning council" means a regional planning council as defined in s. 186.503(4), Florida Statutes, in the

Amendment No. (1)

jurisdiction of which the nuclear power generating facility is proposed to be located.

- (25) "Right-of-way" means land necessary for the construction and maintenance of an associated linear facility, such as a railroad line, pipeline, or transmission line, including associated facilities and associated transmission lines. The typical width of the right-of-way shall be identified in the application. The right-of-way shall be located within the certified corridor and shall be identified by the applicant subsequent to certification in documents filed with the department prior to construction.
- (26) "Site" means any proposed location wherein a nuclear power generating facility, or a nuclear power generating facility alteration or addition resulting in an increase in generating capacity, will be located within state jurisdiction. The site may include appropriate buffers and may accommodate facilities constructed by the applicant or an agency to further an objective of an adopted water management district water supply plan. For purposes of this act, the term "site" does not include any associated facilities or associated transmission lines.
- (27) "Site certification" means the final order issued by the board approving with any conditions or modifications a proposed nuclear power plant.
- (28) "State comprehensive plan" means that plan set forth in chapter 187, Florida Statutes.
- (29) "Water management district" means a water management district, created pursuant to chapter 373, Florida Statutes, in the jurisdiction of which the nuclear power plant is proposed to be located.

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- Section 4. Department of Environmental Protection; powers and duties enumerated.—The department shall have the following powers and duties in relation to this act:
- (1) To adopt rules within six months of the effective date of this act pursuant to ss. 120.536(1) and 120.54, Florida

 Statutes, to implement the provisions of this act.
- (2) To prescribe the form and content of the public notices and the notice of intent and the form, content, and necessary supporting documentation and studies to be prepared by the applicant for nuclear power plant site certification applications. The department shall utilize any existing site certification application forms and instructions adopted pursuant to the Florida Electrical Power Plant Siting Act, ss. 403.501-403.518, Florida Statutes, until such new forms are adopted by the department.
- (3) To receive applications for nuclear power plant site certifications and to determine the completeness thereof.
- (4) To make, or contract for, studies of nuclear power plant site certification applications.
- (5) To administer the processing of applications for nuclear power plant site certifications and to ensure that the applications are processed as expeditiously as possible.
 - (6) To require such fees as allowed by this act.
 - (7) To conduct studies and prepare a written analysis.
- (8) To prescribe the means for monitoring continued compliance with terms of the certification.
- (9) To notify all affected agencies of the filing of a notice of intent within 15 days after receipt of the notice.
- (10) To issue, with the nuclear power plant certification, any license required pursuant to any federally delegated or approved permit program.

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Section 5. Applicability and certification .--

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- (1) The provisions of this act shall apply exclusively to any nuclear power plant as defined in this act and to any expansion in steam-generating capacity of any existing nuclear power plant. No construction of any new nuclear power plant or expansion in steam-generating capacity of any existing nuclear power plant may be undertaken after the effective date of this act without first obtaining certification as provided in this act. Except as otherwise provided in this subsection, this act shall not apply to any such nuclear power plant that is presently operating or that has, upon the effective date of this act, applied for a permit or certification under requirements in force prior to the effective date of such act.
- (2) Except as provided in the certification, modification of nuclear fuels, internal-related hardware, or operating conditions not in conflict with certification, which increase the electrical output of a unit to no greater capacity than the maximum operating capacity of the existing electrical generator, shall not constitute an alteration or addition to generating capacity which requires certification pursuant to this act.
- (3) The application for any related department license which is required pursuant to any federally delegated or approved permit program shall be processed within the time periods allowed by this act, in lieu of those specified in s. 120.60, Florida Statutes.
 - Section 6. Distribution of application; schedules. --
- (1) Within 7 days after the filing of an application, the department shall provide to the applicant and the Division of Administrative Hearings the names and addresses of those affected or other agencies entitled to notice and copies of the application and any amendments.

- department shall prepare a schedule of dates for submission of statements of issues, determination of completeness, and submittal of final reports from affected and other agencies, petition for a certification hearing, and other significant dates to be followed during the certification process, including dates for filing notices of appearance to be a party pursuant to section 12(3)(c). The schedule shall establish the date for conduct of any certification hearing as provided for in this act. This schedule shall be timely provided by the department to the applicant, the administrative law judge, all agencies identified pursuant to subsection (1), and all parties.
- (3) Within 7 days after the department issues the names and addresses of those affected or other agencies entitled to notice and copies of the application and any amendments, the applicant shall distribute copies of the application to all agencies identified by the department. Copies of changes and amendments to the application shall be timely distributed by the applicant to all affected agencies and parties.
- Section 7. Appointment of administrative law judge.-Within 7 days after receipt of an application, the department
 shall request the Division of Administrative Hearings to
 designate an administrative law judge to conduct the hearings
 required by this act. The division director shall designate an
 administrative law judge within 7 days after receipt of the
 request from the department.
 - Section 8. Determination of completeness. --
- (1) Within 45 days after the distribution of the application or amendment to a pending application, the department shall file a statement with the Division of Administrative Hearings and with the applicant declaring its

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position with regard to the completeness of the application or amendment. The department's statement shall be based upon consultation with the affected agencies, which shall submit to the department recommendations on the completeness of the application within 30 days after distribution of the application.

- (2) If the department declares the application or amendment incomplete, the applicant may withdraw the application or amendment. If the applicant declines to withdraw the application or amendment, the applicant may, at its option:
- (a) Within 40 days after the department filed its statement of incompleteness or such later date as authorized by department rules, file additional information necessary to make the application or amendment complete. If the applicant makes its application or amendment complete within this time period, the time schedules under this act shall not be tolled by the department's statement of incompleteness.
- (b) Advise the department and the administrative law judge that the information necessary to make the application or amendment complete cannot be supplied within the time period authorized in paragraph (a). The time schedules under this act shall be tolled from the date of the notice of incompleteness until the application or amendment is determined complete.
- (c) Contest the statement of incompleteness by filing a request for a hearing with the administrative law judge within 15 days after the filing of the statement of incompleteness. If a hearing is requested by the applicant, all time schedules under this act shall be tolled as of the department's statement of incompleteness, pending the administrative law judge's decision concerning the dispute. A hearing shall be held no later than 21 days after the filing of the statement by the

administrative law judge within 10 days after the hearing.

359 department, and a final decision shall be rendered by the

(3) (a) If the administrative law judge determines, contrary to the department, that an application or amendment is complete, all time schedules under this act shall resume as of

(b) If the administrative law judge agrees that the

the date of the administrative law judge's determination.

application is incomplete, all time schedules under this act
shall remain tolled until the applicant files additional
information and the application or amendment is determined
complete by the department or the administrative law judge.

(4) If, within 30 days after receipt of the additional information submitted pursuant to paragraph (2)(a), paragraph (2)(b), or paragraph (3)(b), based upon the recommendations of the affected agencies, the department determines that the additional information supplied by an applicant does not render the application or amendment complete, the applicant may exercise any of the options specified in subsection (2) as often as may be necessary to resolve the dispute.

Section 9. Land use and zoning consistency .--

- (1) The applicant shall include in the application a statement on the consistency of the site or any directly associated facilities with existing land use plans and zoning ordinances which were in effect on the date the application was filed, and a full description of such consistency.
- (2) Within 80 days of the filing of the application, each local government shall file a determination with the Department, the applicant, the administrative law judge, and all parties on the consistency of the site or any directly associated facilities with existing land use plans and zoning ordinances which were in effect on the date the application was filed,

- based on the information provided in the application. The applicant shall publish notice of the consistency determination in accordance with the requirements of section 17(1)(b).
- (3) If any substantially affected person wishes to dispute the local government's determination, he or she shall file a petition with the department within 15 days of the publication of notice of the local government's determination. If a hearing is requested, the provisions of s. 403.508(1) shall apply.
- (4) The dates in this section may be altered upon agreement between the applicant, the local government, and the department pursuant to s. 403.5095.
- (5) If it is determined by the local government that the proposed site or directly associated facility does conform with existing land use plans and zoning ordinances in effect as of the date of the application and no petition has been filed, the responsible zoning or planning authority shall not thereafter change such land use plans or zoning ordinances so as to foreclose construction and operation of the proposed site or directly associated facilities unless certification is subsequently denied or withdrawn.
- Section 10. <u>Preliminary statements of issues, reports, and</u> studies.—
- (1) Each affected agency identified in paragraph (2)(a) shall submit a preliminary statement of issues to the department and the applicant no later than 45 days after the distribution of the application. The failure to raise an issue in this statement shall not preclude the issue from being raised in the agency's report.
- (2)(a) The following agencies shall prepare reports as provided below and shall submit them to the department and the

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applicant within 60 days after the application is determined complete:

- 1. The Department of Community Affairs shall prepare a report containing recommendations which address the impact upon the public of the proposed nuclear power plant, based on the degree to which the nuclear power plant is consistent with the applicable portions of the state comprehensive plan and other such matters within its jurisdiction.
- 2. The Public Service Commission shall prepare a report as to the present and future need for the electrical generating capacity to be supplied by the proposed nuclear power plant. The report shall include the commission's determination pursuant to section 25(4) and may include the commission's comments with respect to any other matters within its jurisdiction.
- 3. The water management district shall prepare a report as to matters within its regulatory jurisdiction.
- 4. Each local government in whose jurisdiction the proposed nuclear power plant, including associated facilities and associated transmission lines, is to be located shall prepare a report as to the consistency of the proposed nuclear power plant with all applicable local ordinances, regulations, standards, or criteria that apply to the proposed nuclear power plant, including adopted local comprehensive plans, land development regulations, and any applicable local environmental regulations adopted pursuant to s. 403.182, Florida Statutes, or by other means. Each local government in which the nuclear power generating facility is to be located shall also report on whether the proposed site for a nuclear power generating facility is located in a future land use category and a zoning district, as adopted by the local government and which were in effect on the date upon which the application was filed, which

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451 permits the location of a nuclear power generating facility. If 452 the proposed site for a nuclear power generating facility is not 453 located in a future land use category or zoning district which 454 allows such a use, then the local government shall identify the 455 future land use category or zoning district which would be 456 required to allow the proposed nuclear power generating facility on the proposed site. If the proposed site for a nuclear power 457 458 generating facility is not located in a future land use category 459 or zoning district which allows such a use, the local government 460 shall identify in its report any reasonable and available 461 methods which the local government believes are necessary to 462 make the proposed use of the site for a nuclear power generating 463 facility consistent with the local comprehensive plan future 464 land use category, in compliance with the local zoning code or 465 compatible with the existing land uses surrounding the proposed 466 nuclear power generating facility site.

- 5. The Fish and Wildlife Conservation Commission shall prepare a report as to matters within its jurisdiction.
- 6. The regional planning council shall prepare a report containing recommendations that address the impact upon the public of the proposed nuclear power plant, as identified under the applicable provisions of the strategic regional policy plan adopted pursuant to chapter 186, Florida Statutes.
- 7. The Department of Health shall prepare a report as to matters within its jurisdiction.
- 8. The Department of Transportation shall prepare a report as to the impact of the proposed nuclear power plant and associated linear facilities on roads, railroads, airports, aeronautics, seaports, and other matters within its jurisdiction.

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9. Any other agency, if requested by the department and upon approval of the assigned administrative law judge, shall also perform studies or prepare reports as to matters within that agency's jurisdiction which may be directly affected by the proposed nuclear power plant.

- (b) Each report described in this subsection shall contain all information on variances, exemptions, exceptions, or other relief which may be required and any proposed conditions of certification on matters within the jurisdiction of such agency. For each condition proposed by an agency in its report, the agency shall list the specific statute, rule, or ordinance which authorizes the proposed condition. No condition of certification may be imposed upon a nuclear power plant project that is not directly required to ensure compliance with a specific statute, rule, or ordinance of an agency or the criteria set forth in this act.
- (c) The agencies shall initiate the activities required by this section no later than 30 days after the complete application is distributed.
- (3) The department shall prepare a written analysis, which shall be filed with the designated administrative law judge and served on all parties no later than 85 days after the application is found complete, but no later than 60 days prior to the scheduled date for the certification hearing if a petition for hearing were to be filed, and which shall include:
- (a) A statement indicating whether the proposed nuclear power plant and proposed ultimate site capacity will be in compliance with the rules of the department and in compliance with a specific statute, rule, or ordinance of an agency identified in that agency's report.

- 512 <u>act.</u>

- (b) Copies of the studies and reports required by this
- (c) The comments received by the department from any other agency or person.
- (d) The recommendation of the department as to the disposition of the application, of variances, exemptions, exceptions, or other relief identified by any party, and of any proposed conditions of certification which the department believes should be imposed, including any conditions proposed by an agency which the department believes should be imposed in any final certification.
- (e) The recommendation of the department regarding the issuance of any license required pursuant to a federally delegated or approved permit program.
- (4) Except when good cause is shown, the failure of any agency to submit a preliminary statement of issues or a report, or to submit its preliminary statement of issues or report within the allowed time, shall not be grounds for the alteration of any time limitation in this act. Neither the failure to submit a preliminary statement of issues or a report nor the inadequacy of the preliminary statement of issues or report shall be grounds to deny or condition certification.
- Section 11. Notice of department recommendation, petition for certification hearing.--
- (1) The department and the applicant shall publish a public notice as provided for in this section, announcing the issuance of the department's recommendation on the application for site certification. The notice shall be published in the newspaper or newspapers in the jurisdictions where the proposed nuclear power plant and any associated facility are proposed to be located. The notice shall inform the public of the issuance

of the department's report, the conclusion reached in that
report, and the locations where the department's report and the
application are available for public inspection.

- (2) Within 14 days after its receipt of the department's recommendation or within 14 days after the newspaper notice of the department's recommendation, whichever occurs first, any party or any person whose substantial interests may be affected by the proposed nuclear power plant may file with the department a petition for a site certification hearing. The petition shall identify the person filing the petition, identify the substantial interests alleged to be affected, and identify with specificity those issues which the person alleges require the conduct of a certification hearing on the proposed nuclear power plant.
- (3) Failure to timely file a petition for a certification hearing shall result in the department's recommendation becoming final and no longer subject to challenge or reversal in any proceeding, including, before the board. Only those conditions contained in the department's recommendation may be imposed upon the proposed nuclear power plant.
- Section 12. <u>Land use and certification hearings parties</u>, participants.--
- (1) (a) If a petition for a hearing on land use has been filed pursuant to section 9(3), the designated administrative law judge shall conduct a land use hearing in the county of the proposed site or directly associated facility, as applicable, as expeditiously as possible, but not later than days after the department's receipt of the petition. The place of such hearing shall be as close as possible to the proposed site or directly associated facility. If a petition is filed, the hearing shall be held regardless of the status of the completeness of the

- application. However, incompleteness of information necessary
 for a local government to evaluate an application may be claimed
 by the local government as cause for a statement of
 inconsistency with existing land use plans and zoning ordinances
 under s. 403.50665.
 - (b) Notice of the land use hearing shall be published in accordance with the requirements of section 17.
 - hearing shall be whether or not the proposed site is consistent and in compliance with existing land use plans and zoning ordinances. If the administrative law judge concludes that the proposed site is not consistent or in compliance with existing land use plans and zoning ordinances, the administrative law judge shall receive at the hearing evidence on, and address in the recommended order any changes to, or approvals or variances under the applicable land use plans or zoning which will render the proposed site consistent and in compliance with the local land use plans and zoning ordinances.
 - (d) The designated administrative law judge's recommended order shall be issued within 30 days after completion of the hearing and shall be reviewed by the board within 60 days after receipt of the recommended order by the board.
 - (e) If it is determined by the board that the proposed site does conform with existing land use plans and zoning ordinances in effect as of the date of the application, or as otherwise provided by this act the responsible zoning or planning authority shall not thereafter change such land use plans or zoning ordinances so as to foreclose construction and operation of the proposed power plant on the proposed site or directly associated facilities unless certification is subsequently denied or withdrawn.

- (f) If it is determined by the board that the proposed site does not conform with existing land use plans and zoning ordinances, the board may, if it determines after notice and hearing and upon consideration of the recommended order on land use and zoning issues that it is in the public interest to authorize the use of the land as a site for an electrical power plant, authorize an amendment to, rezoning, variance or other approval to the adopted land use plan and zoning ordinances required to render the proposed site consistent with local land use plans and zoning ordinances. The board's action shall not be controlled by any other procedural requirements of law. In the event a variance or other approval is denied by the board, it shall be the responsibility of the applicant to make the necessary application to the applicable local government for any approvals determined by the board as required to make the proposed site consistent and in compliance with local land use plans and zoning ordinances. No further action may be taken on the complete application until the proposed site conforms to the adopted land use plan or zoning ordinances or the board grants relief as provided under this act.
- affected files a petition for a certification hearing within 14 days after publication of notice of the department's notice of its recommendation on the application for site certification, a certification hearing shall be held by the designated administrative law judge no later than 260 days from the date the application is filed with the department. However, an affirmative determination of need by the Public Service Commission pursuant to this act shall be a condition precedent to the conduct of the certification hearing. If a timely petition for a certification hearing is filed, the certification

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HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No. (1)

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635	hearing shall be held at a location in proximity to the proposed						
636	site. The certification hearing shall also constitute the sole						
637	hearing allowed by chapter 120, Florida Statutes, to determine						
638	the substantial interest of a party regarding any required						
639	agency license or any related permit required pursuant to any						
640	federally delegated or approved permit program. At the						
641	conclusion of the certification hearing, the designated						
642	administrative law judge shall, after consideration of all						
643	evidence of record, submit to the board a recommended order no						
644	later than 60 days after the date of the filing of the hearing						
645	transcript. In the event the administrative law judge fails to						
646	issue a recommended order within 60 days after the date of the						
647	filing of the hearing transcript, the administrative law judge						
648	shall submit a report to the board with a copy to all parties						
649	within 60 days after the date of the filing of the hearing						
650	transcript to advise the board of the reason for the delay in						
651	the issuance of the recommended order and of the date by which						
652	the recommended order will be issued.						

- (3) (a) Parties to the proceeding shall include:
- 1. The applicant.
- 2. The Public Service Commission.
- 3. The Department of Community Affairs.
- 4. The Fish and Wildlife Conservation Commission.
- 5. The Department of Transportation.
- 6. The water management district.
- 7. The department.
 - 8. The regional planning council.
 - 9. The local government.
- (b) Any party listed in paragraph (a) other than the department or the applicant may waive its right to participate in these proceedings. If such listed party fails to file a

notice of its intent to be a party on or before the 90th day prior to the scheduled date for the certification hearing, such party shall be deemed to have waived its right to be a party.

- (c) Upon the filing of a notice of intent to be a party with the administrative law judge and no more than 21 days after the date of publication of notice of filing of the application for site certification, the following shall also be parties to the proceeding:
- 1. Any agency not listed in paragraph (a) as to matters within its jurisdiction.
- 2. Any domestic nonprofit corporation or association formed, in whole or in part, to promote conservation or natural beauty; to protect the environment, personal health, or other biological values; to preserve historical sites; to promote consumer interests; to represent labor, commercial, or industrial groups; or to promote comprehensive planning or orderly development of the area in which the proposed nuclear power plant is to be located.
- (d) Notwithstanding paragraph (e), failure of an agency to file a notice of intent to be a party within the time provided in this section shall constitute a waiver of the right of the agency to participate as a party in the proceeding.
- (e) Other parties may include any person, including those persons enumerated in paragraph (c) who have failed to timely file a notice of intent to be a party, whose substantial interests are affected and being determined by the proceeding, and who timely file a motion to intervene pursuant to chapter 120, Florida Statutes, and applicable rules. Late intervention pursuant to this paragraph may be granted by the designated administrative law judge upon a showing of good cause that excuses such late intervention and upon such conditions as he or

- 697 she may prescribe any time prior to 30 days before the 698 commencement of the certification hearing.
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- (f) Any agency, including those whose properties or works are affected, shall be made a party upon the request of the department or the applicant.
- (4) When appropriate, any person may be given an opportunity to present oral or written communications to the designated administrative law judge. If the designated administrative law judge proposes to consider such communications, then all parties shall be given an opportunity to cross-examine or challenge or rebut such communications.
- (5) The designated administrative law judge shall have all powers and duties granted to administrative law judges by chapter 120, Florida Statutes, and this act and by the rules of the department and the Administration Commission, including the authority to resolve disputes over the completeness and sufficiency of an application for certification.
 - Section 13. Final disposition of application .--
- (1) Within 60 days after the date of the issuance of the department's recommendation if no hearing is held, or within 60 days after the date of the receipt of the designated administrative law judge's recommended order following a certification hearing, the board shall act upon the application by written order, approving certification or denying the issuance of a certificate, in accordance with the criteria set forth in this act, and stating the reasons for issuance or denial. If no hearing has been held, the board shall enter a final order approving the proposed nuclear power plant subject only to the conditions of certification contained in the department's recommendation.

approved with modifications or conditions, or denied, the board

shall consider whether, and the extent to which, the location,

construction, and operation of the proposed nuclear power

(2) Following the holding of a certification hearing, in

727 determining whether an application should be approved in whole,

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plant will:

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(a) Meet the electrical energy needs of the state in an orderly and timely fashion, as determined by the Public Service Commission.

- (b) Comply with nonprocedural requirements of agencies.
- (c) Be consistent with applicable local government comprehensive plans and in compliance with applicable zoning ordinances.
- (d) Effect a reasonable balance between the need for the nuclear power plant as a means of providing abundant low-cost electrical energy and the impact upon the public and the environment resulting from the location, construction, and operation of the proposed nuclear power plant.
- (3) Following the conduct of a certification hearing, if the certificate is denied, the board shall set forth in writing the actions the applicant would have to take to secure the board's approval of the application.
- (4) The issues that may be raised in any hearing before the board shall be limited to those matters raised in the certification hearing before the administrative law judge or raised in the recommended order. Only parties may appear before the board and shall be subject to the provisions of s. 120.66, Florida Statutes.
- (5) In regard to the properties and works of any agency which is a party to the certification hearing, the board shall have the authority to decide issues relating to the use, the

connection thereto, or the crossing thereof, for the nuclear
power plant and site and to direct any such agency to execute,
within 30 days after the entry of certification, the necessary
license or easement for such use, connection, or crossing,
subject only to the conditions set forth in such certification.

Section 14. Alteration of time limits.—Any time limitation in this act may be altered by the designated administrative law judge upon stipulation between the department and the applicant, unless objected to by any party within 5 days after notice or for good cause shown by any party.

Section 15. <u>Superseded laws, regulations, and</u> certification power.--

- (1) If any provision of this act is in conflict with any other provision, limitation, or restriction under any law, rule, regulation, or ordinance of this state or any political subdivision, municipality, or agency, this act shall govern and control, and such law, rule, regulation, or ordinance shall be deemed superseded for the purposes of this act.
- (2) The state hereby preempts the siting, regulation, and certification of nuclear power plant sites and nuclear power plants as defined in this act.
- (3) The board may adopt reasonable procedural rules pursuant to ss. 120.536(1) and 120.54 to carry out its duties under this act and to give effect to the legislative intent that this act is to provide an efficient, simplified, centrally coordinated, one-stop licensing process.

Section 16. Effect of certification. --

(1) Subject to the conditions set forth in the certification, any certification signed by the Governor shall constitute the sole license of the state and any agency as to the approval of the site and the construction and operation of

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the proposed nuclear power plant, except for the issuance of department licenses required under any federally delegated or approved permit program and except as otherwise provided in subsection (4).

- (2) (a) The certification shall authorize the applicant named in the certification to construct and operate the proposed nuclear power plant, subject only to the conditions of certification set forth in the certification, and except for the issuance of department licenses or permits required under any federally delegated or approved permit program.
- (b) Except as provided in subsection (4), the certification may include conditions that constitute variances, exemptions, or exceptions from nonprocedural requirements of the department or any agency which were expressly considered during the proceeding including but not limited to any site specific criteria, standards or limitations under local land use or and zoning approvals which affect the proposed power plant or its site unless waived by the agency as provided below and which otherwise would be applicable to the construction and operation of the proposed nuclear power plant. No variance, exemption, exception, or other relief shall be granted from a state statute or rule for the protection of endangered or threatened species, aquatic preserves, Outstanding National Resource Waters, and Outstanding Florida Waters, or for the disposal of hazardous waste, except to the extent authorized by the applicable statute or rule, or upon a finding by the board that certifying the nuclear power plant at the site proposed by the applicant overrides the public interest protected by the statute or rule from which relief is sought. Each party shall notify the applicant and other parties no more than 60 days after the application is determined sufficient of any nonprocedural

requirements not specifically listed in the application from which a variance, exemption, exception, or other relief is necessary in order for the board to certify any nuclear power plant proposed for certification. Failure of such notification by an agency shall be treated as a waiver from nonprocedural requirements of the department or any other agency. However, no variance shall be granted from standards or regulations of the department applicable under any federally delegated or approved permit program, except as expressly allowed in such program.

- (c) To the extent any condition of certification imposed pursuant to this act is inconsistent with or otherwise in conflict with any requirement of federal law, regulation, or license regulating construction and operation of a nuclear power plant certified under this act, then such condition of certification shall be automatically modified to conform to such federal requirement or be superseded by such federal requirement. The state shall not enforce compliance with any such federal requirement under this act, except to the extent the state is authorized to enforce such condition under federal law.
- (3) The certification and any order on land use and zoning issued under this act shall be in lieu of any license, permit, certificate, or similar document required by any agency pursuant to, but not limited to, chapter 125, chapter 161, chapter 163, chapter 166, chapter 186, chapter 253, chapter 298, chapter 370, chapter 373, chapter 376, chapter 380, chapter 381, chapter 387, chapter 403, except for permits issued pursuant to s. 403.0885, Florida Statutes, and except as provided in s. 403.509(3) and (6), Florida Statutes, or chapter 404, Florida Statutes, the Florida Transportation Code, or 33 U.S.C. s. 1341.

- (4) This act shall not affect in any way the right of any local government to charge appropriate fees or require that construction be in compliance with applicable building construction codes, provided that in the event of a conflict between requirements of local building construction codes and federal requirements, such federal requirements shall supersede local building construction codes.
- (5)(a) A nuclear power plant certified pursuant to this act shall comply with rules adopted by the department subsequent to the issuance of the certification which prescribe new or stricter criteria, to the extent that the rules are applicable to nuclear power plants. Except when express variances, exceptions, exemptions, or other relief have been granted, subsequently adopted rules which prescribe new or stricter criteria shall operate as automatic modifications to certifications. A holder of a certification issued under this act may apply to the board for relief from such rules to the extent relief is available to other electrical power plants in the state. Any such relief shall be granted in the same manner as provided for the granting of relief at the time of the original certification, as provided for in this act.
- (b) Upon written notification to the department, any holder of a certification issued pursuant to this act may choose to operate the certified nuclear power plant in compliance with any rule subsequently adopted by the department which prescribes criteria more lenient than the criteria required by the terms and conditions in the certification which are not site-specific.
- (c) No term or condition of certification shall be interpreted to preclude the postcertification exercise by any party of whatever procedural rights it may have under chapter

- 880 120, Florida Statutes, including those related to rulemaking
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- Section 17. Notice; costs of proceeding. --
- (1) The following notices are to be published by the applicant:
- (a) A notice of filing of the application, which shall be published as specified in subsection (2) within 15 days after the application has been determined complete. Such notice shall give notice of the provisions of section 16(1) and (2).
- (b) Notice of the land use determination made pursuant to section 9(1) within 15 days after the determination is filed.
- (c) Notice of the land use hearing, which shall be published as specified in subsection (2), no later than 15 days before the hearing.
- (d) Notice of issuance of the department's agency report and recommendation, which shall be published as specified in subsection (2) no later than 10 days after the report and recommendation are issued by the department.
- (e) If a certification hearing is to be conducted, then notice published as specified in subsection (2).
- (f) Notice of modification when required by the department, based on whether the requested modification of certification will significantly increase impacts to the environment or the public. Such notice shall be published as specified under subsection (2):
- 1. Within 21 days after receipt of a request for modification, except that the newspaper notice shall be of a size as directed by the department commensurate with the scope of the modification.

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- 2. If a hearing is to be conducted in response to the request for modification, then notice shall be provided as specified in paragraph (e).
- (g) Notice of a supplemental application, which shall be published as follows:
- 1. Notice of receipt of the supplemental application shall be published as specified in paragraph (a).
- 2. Notice of the certification hearing shall be published as specified in paragraph (f).
- (2) Notices provided by the applicant shall be published in newspapers of general circulation within the county or counties in which the proposed nuclear power plant will be located. The newspaper notices shall be at least one-half page in size in a standard size newspaper or a full page in a tabloid size newspaper and published in a section of the newspaper other than the legal notices section. These notices shall include a map generally depicting the project and all associated facilities corridors, including associated transmission lines, if any. A newspaper of general circulation shall be the newspaper which has the largest daily circulation in that county and has its principal office in that county. If the newspaper with the largest daily circulation has its principal office outside the county, the notices shall appear in both the newspaper having the largest circulation in that county and in a newspaper authorized to publish legal notices in that county.
- (3) All notices published by the applicant shall be paid for by the applicant and shall be in addition to the application fee.
 - (4) The department shall:
- (a) Publish in the manner specified in chapter 120, Florida Statutes, notices of the filing of the application or

- supplemental application; of the land use determination and of
 the land use hearing, if one is to be held; of the department's
 report and recommendation; the certification hearing, if one is
 - to be held; the hearing before the board; and stipulations, proposed agency action, or petitions for modification.
 - (b) Provide copies of those notices to any persons who have requested to be placed on the departmental mailing list for this purpose.
 - (5) The applicant shall pay those expenses and costs associated with the conduct of the hearings and the recording and transcription of the proceedings.
 - Section 18 Revocation or suspension of certification.--Any certification may be revoked or suspended:
 - (1) For any material false statement in the application or in the supplemental or additional statements of fact or studies required of the applicant when a true answer would have warranted the board's refusal to recommend a certification in the first instance.
 - (2) For failure to comply with the terms or conditions of the certification.
 - (3) For violation of the provisions of this act or rules or orders issued under this act.
 - Section 19. Review.--Proceedings under this act shall be subject to judicial review in the Florida Supreme Court.

 Separate appeals of the certification order issued by the board and of any department permit issued pursuant to a federally delegated or approved permit program shall be consolidated for purposes of judicial review. Review on appeal shall be based solely on the record before the board and briefs to the court and shall be limited to determining whether the certification order conforms to the constitution and laws of this state and

- the United States and is within the authority of the board under this act. The Supreme Court shall proceed to hear and determine the action as expeditiously as practicable and give the action precedence over other matters not accorded similar precedence by law.
 - Section 20. Enforcement of compliance.--Failure to obtain a certification or to comply with the conditions of certification or this act shall constitute a violation of chapter 403, Florida Statutes.
 - Section 21. Availability of information.--The department shall make available for public inspection and copying during regular office hours, at the expense of any person requesting copies, any information filed or submitted to the department pursuant to this act.
 - Section 22. Modification of certification. --
 - (1) A certification may be modified after issuance in any one of the following ways:
 - (a) The board may delegate to the department the authority to modify specific conditions in the certification.
 - (b) The department may modify the terms and conditions of the certification if no party to the certification hearing objects in writing to such modification within 45 days after notice by mail to such party's last address of record and if no other person whose substantial interests will be affected by the modification objects in writing within 30 days after issuance of public notice. If objections are raised, the applicant may file a petition for modification pursuant to paragraph (c).
 - (c) Any petition for modification shall be filed with the department and the Division of Administrative Hearings. A petition for modification may be filed by the applicant or the department setting forth:

- 1. The proposed modification.
- 2. The factual reasons asserted for the modification.
- 3. The anticipated effects of the proposed modification on the applicant, the public, and the environment.
- (2) Petitions filed pursuant to this section shall be disposed of in the same manner as an application, but with time periods established by the administrative law judge commensurate with the significance of the modification requested.
- (3) Any agreement or modification under this section must be in accordance with the terms of this act. No modification to a certification shall be granted that constitutes a variance from standards or regulations of the department applicable under any federally delegated or approved permit program, except as expressly allowed in such program.
- Section 23. <u>Supplemental applications for sites certified</u>

 for ultimate site capacity.--
- (1) (a) The department shall adopt rules governing the processing of supplemental applications for certification of the construction and operation of nuclear power plants to be located at sites which have been previously certified for an ultimate site capacity pursuant to this act. Supplemental applications shall be limited to nuclear power plants using the fuel type previously certified for that site. The rules adopted pursuant to this section shall include provisions for:
- 1. Prompt appointment of a designated administrative law judge.
 - 2. The contents of the supplemental application.
- 3. Resolution of disputes as to the completeness and sufficiency of supplemental applications by the designated administrative law judge.

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- 4. Public notice of the filing of the supplemental applications.
- 5. Time limits for prompt processing of supplemental applications.
- 6. Final disposition by the board within 215 days after the filing of a complete supplemental application.
- (b) The time limits shall not exceed any time limitation governing the review of initial applications for site certification pursuant to this act, it being the legislative intent to provide shorter time limitations for the processing of supplemental applications for nuclear power plants to be constructed and operated at sites which have been previously certified for an ultimate site capacity.
- (c) Any time limitation in this section or in rules adopted pursuant to this section may be altered by the designated administrative law judge upon stipulation between the department and the applicant, unless objected to by any party within 5 days after notice or for good cause shown by any party. The parties to the proceeding shall adhere to the provisions of chapter 120, Florida Statutes, and this act in considering and processing such supplemental applications.
- (2) Supplemental applications shall be reviewed as provided in this act, except that the time limits provided in this section shall apply to such supplemental applications.
- (3) The land use and zoning consistency determination of s. 403.50665 shall not be applicable to the processing of supplemental applications pursuant to this section so long as:
- (a) The previously certified ultimate site capacity is not exceeded; and
- The lands required for the construction or operation of the electrical power plant which is the subject of the

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- supplemental application are within the boundaries of the previously certified site.
- (4) For the purposes of this act, the term "ultimate site capacity" means the maximum generating capacity for a site as certified by the board.
- Section 24. Fees; disposition. -- The department shall charge the applicant the following fees, as appropriate, which shall be paid into the Florida Permit Fee Trust Fund:
- (1) An application fee, which shall not exceed \$200,000. The fee shall be fixed by rule on a sliding scale related to the size, type, ultimate site capacity, increase in generating capacity proposed by the application, or the number and size of local governments in whose jurisdiction the nuclear power plant is located.
- (a) Sixty percent of the fee shall go to the department to cover any costs associated with reviewing and acting upon the application, to cover any field services associated with monitoring construction and operation of the facility, and to cover the costs of the public notices published by the department.
- (b) Twenty percent of the fee or \$25,000, whichever is greater, shall be transferred to the Administrative Trust Fund of the Division of Administrative Hearings of the Department of Management Services.
- (c) Upon written request with proper itemized accounting within 90 days after final agency action by the board or withdrawal of the application, the department shall reimburse the Department of Community Affairs, the Fish and Wildlife Conservation Commission, any water management district created pursuant to chapter 373, Florida Statutes, regional planning council, and local government in the jurisdiction of which the

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proposed nuclear power plant is to be located, and any other agency from which the department requests special studies pursuant to this act. Such reimbursement shall be authorized for the preparation of any studies required of the agencies by this act, for agency travel and per diem to attend any hearing held pursuant to this act, and for local governments to participate in the proceedings. In the event the amount available for allocation is insufficient to provide for complete reimbursement to the agencies, reimbursement shall be on a prorated basis.

- (d) If any sums are remaining, the department shall retain them for its use in the same manner as is otherwise authorized by this act; provided, however, that if the certification application is withdrawn, the remaining sums shall be refunded to the applicant within 90 days after withdrawal.
- (2) A certification modification fee, which shall not exceed \$30,000. The fee shall be submitted to the department with a formal petition for modification to the department. This fee shall be established, disbursed, and processed in the same manner as the application fee in subsection (1), except that the Division of Administrative Hearings shall not receive a portion of the fee unless the petition for certification modification is referred to the Division of Administrative Hearings for hearing. If the petition is so referred, only \$10,000 of the fee shall be transferred to the Administrative Trust Fund of the Division of Administrative Hearings of the Department of Management Services. The fee for a modification by agreement shall be \$10,000, to be paid upon the filing of the request for modification. Any sums remaining after payment of authorized costs shall be refunded to the applicant within 90 days after issuance or denial of the modification or withdrawal of the request for modification.

HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No. (1)

(3) A supplemental application fee, not to exceed \$75,000, to cover all reasonable expenses and costs of the review, processing, and proceedings of a supplemental application. This fee shall be established, disbursed, and processed in the same manner as the certification application fee in subsection (1) except that only \$20,000 of the fee shall be transferred to the Administrative Trust Fund of the Division of Administrative Hearings of the Department of Management Services.

Section 25. Exclusive forum for determination of need.--

- (1) On request by an applicant, the Public Service

 Commission shall begin a proceeding to determine the need for a nuclear power plant subject to this act. The applicant shall publish a notice of the proceeding in a newspaper of general circulation in each county in which the proposed nuclear power plant will be located. The notice shall be at least one-quarter of a page and published at least 21 days prior to the scheduled date for the proceeding.
- after the filing of the petition and shall issue an order granting or denying the petition to determine need within 135 days after the date of the filing of the petition. The commission shall be the sole forum for the determination of this matter and the issues addressed in the petition, which accordingly shall not be reviewed in any other forum. In making its determination to either grant or deny a petition for determination of need, the commission shall consider the need for electric system reliability and integrity, including fuel diversity, the need for base-load generating capacity, and the need for adequate electricity at a reasonable cost.
 - (b) The applicant's petition shall include:
 - 1. A description of the need for the generation capacity.

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- 2. A description of how the proposed nuclear power plant will enhance the reliability of electric power production within the state by improving the balance of power plant fuel diversity and reducing Florida's dependence on fuel oil and natural gas.
- 3. A description of and a nonbinding estimate of the cost of the nuclear power plant.
- 4. The annualized base revenue requirement for the first 12 months of operation of the nuclear power plant.
- (c) In making its determination, the commission shall take into account matters within its jurisdiction, which it deems relevant, including whether the nuclear power plant will:
 - 1. Provide needed base-load capacity.
- 2. Enhance the reliability of electric power production within the state by improving the balance of power plant fuel diversity and reducing Florida's dependence on fuel oil and natural gas.
- 3. Provide the most cost-effective source of power, taking into account the need to improve the balance of fuel diversity, reduce Florida's dependence on fuel oil and natural gas, reduce air emission compliance costs, and contribute to the long-term stability and reliability of the electric grid.
- (3) No provision of rule 25-22.082, Florida Administrative Code, shall be applicable to a nuclear power plant sited under this act, including provisions for cost recovery, and an applicant shall not otherwise be required to secure competitive proposals for power supply prior to making application under this act or receiving a determination of need from the commission.
- (4) The commission's determination of need for a nuclear power plant shall create a presumption of public need and necessity and shall serve as the commission's report. An order

HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

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entered pursuant to this section constitutes final agency action. Any petition for reconsideration of a final order on a petition for need determination shall be filed within 5 days after the date of such order. The commission's final order, including any order on reconsideration, shall be reviewable on appeal in the Florida Supreme Court. Inasmuch as delay in the determination of need will delay siting of a nuclear power plant or diminish the opportunity for savings to customers under the federal Energy Policy Act of 2005, the Supreme Court shall proceed to hear and determine the action as expeditiously as practicable and give the action precedence over matters not accorded similar precedence by law.

granted, the right of a utility to recover any costs incurred prior to commercial operation, including, but not limited to costs associated with the siting, design, licensing, or construction of the plant, shall not be subject to challenge unless and only to the extent the commission finds, based on a preponderance of the evidence adduced at a hearing before the commission under s. 120.57, Florida Statutes, that certain costs were imprudently incurred. Proceeding with the construction of the nuclear power plant following an order by the commission approving the need for the nuclear power plant under this act shall not constitute or be evidence of imprudence. Imprudence also shall not include any cost increases due to events beyond the utility's control.

Further, a utility's right to recover costs associated with a nuclear power plant may not be raised in any other forum or in the review of proceedings in such other forum. Costs incurred

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- prior to commercial operation shall be recovered pursuant to chapter 366, Florida Statutes.
- 1219 Section 26. 366.93 is created to read:
- 366.93 Cost recovery for the siting, design, licensing, and construction of nuclear power plants.--
 - (1) As used in this section, the term:
 - (a) "Cost" includes, but is not limited to, all capital investments, including rate of return, any applicable taxes, and all expenses, including operation and maintenance expenses, related to or resulting from the siting, licensing, design, construction or operation of the nuclear power plant.
 - (b) "Electric utility" or "utility" has the same meaning as that provided in s. 366.8255(1)(a),
 - (c) "Nuclear power plant" or "plant" has the same meaning as that provided in the Florida Energy Diversity and Efficiency Act.
 - (d) "Pre-construction" is that period of time after a site has been selected through and including the date the utility begins site clearing work. Preconstruction costs shall be afforded deferred accounting treatment and shall accrue a carrying charge equal to the utility's AFUDC rate until recovered in rates.
 - (2) Within six months after the enactment of this act, the Commission shall establish, by rule, alternative cost recovery mechanisms for the recovery of costs incurred in the siting, design, licensing and construction of nuclear power plant. Such mechanisms shall be designed to promote utility investment in nuclear plants and allow for the recovery in rates all prudently incurred costs, and shall include, but are not limited to:
 - (a) Recovery through the capacity cost recovery clause of any preconstruction costs.

- (b) Recovery through an incremental increase in the utility's capacity cost recovery clause rates the carrying costs on the utility's projected construction cost balance associated with the nuclear power plant. To encourage investment and provide certainty, for nuclear power plant need petitions submitted on or before December 31, 2010, associated carrying costs shall be equal to the pre-tax AFUDC in effect upon this bill becoming law. For nuclear power plants for which need petitions are submitted after December 31, 2010, the utility's existing pre-tax AFUDC rate is presumed to be appropriate unless determined otherwise by the commission in the determination of need for the nuclear power plant.
 - (3) After a petition for determination of need is granted, a utility may petition the Commission for cost recovery as permitted by this section and Commission rules.
- (4) When the nuclear power plant is placed in commercial service, the utility shall be allowed to increase its base rate charges by the projected annual revenue requirements of the nuclear power plant based on the jurisdictional annual revenue requirements of the plant for the first twelve months of operation. The rate of return on capital investments shall be calculated using the utility's rate of return last approved by the commission prior to the commercial in-service date of the nuclear power plant. If any existing generating plant is retired as a result of operation of the nuclear power plant, the commission shall allow for the recovery, through an increase in base rate charges, of the net book value of the retired plant over a period not to exceed five years.
- (5) The utility shall report to the commission annually the budgeted and actual costs as compared to the estimated inservice cost of the nuclear power plant provided by the utility

HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No. (1)

pursuant to section 25(2)(b) until the commercial operation of									
the nuclear power plant. The utility shall provide such									
information on an annual basis following the final order by the									
commission approving the determination of need for the nuclear									
power plant, with the understanding that some costs may be									
higher than estimated and other costs may be lower.									

precluded from completing construction of the nuclear power plant, the utility shall be allowed to recover all prudent preconstruction and construction costs incurred following the commission's issuance of a final order granting a determination of need for the nuclear power plant. The utility shall recover such costs through the capacity cost recovery clause over a period equal to the period during which the costs were incurred or five years, whichever were greater. The un-recovered balance during the recovery period will accrue interest at the utility's weighted average cost of capital as reported in the commission's earnings surveillance reporting requirement for the prior year.

Section 27. This act shall take effect upon becoming law.

1299 ======= T I T L E A M E N D M E N T ==========

1300 Remove everthing before the enacting clause and insert:

A bill to be entitled

An act relating to the "Florida Energy Diversity and Efficiency Act"; providing a short title; providing purpose; providing definitions; providing requirements for the authorization, certification, and siting of nuclear power plants; providing for a Nuclear Power Plant Siting Board; enumerating the related powers and duties of the Department of Environmental Protection, including rulemaking authority; requiring certain application,

HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No. (1)

1310	certification, and licensure of nuclear power plants; specifying					
1311	applicability to certain nuclear power plants; providing for					
1312	distribution of certain applications and schedules; directing					
1313	the Division of Administrative Hearings to appoint an					
1314	administrative judge to conduct certain hearings; providing for					
1315	the determination of application and amendment completeness;					
1316	requiring a review of land use and zoning consistency; requiring					
1317	affected agencies to submit certain reports; providing					
1318	requirements and procedures with respect thereto; requiring					
1319	public notice of department recommendation and petition for					
1320	certification hearings; providing for land use and certification					
1321	hearings; providing requirements and procedures with respect					
1322	thereto; authorizing the board to have final disposition on					
1323	certification applications; providing that this act supersedes					
1324	certain laws and regulations; providing for effect of					
1325	certification; requiring certain public notice; providing					
1326	responsibility for certain costs; providing for revocation or					
1327	suspension of certification; providing for appeal and review of					
1328	proceedings under the act; providing for compliance enforcement;					
1329	requiring the department to make information available to the					
1330	public; providing requirements and procedures for modification					
1331	of certification; providing for supplemental applications for					
1332	sites certified for ultimate site capacity; requiring certain					
1333	fees; providing for deposit into the Florida Permit Fee Trust					
1334	Fund and for subsequent distribution; requiring the Public					
1335	Service Commission to hold hearings on determination of need;					
1336	providing requirements and procedures with respect thereto;					
1337	creating ch. 366.93, F.S.; providing definitions; requiring the					
1338	Public Service Commission to implement rules related to nuclear					
1339	power plant cost recovery; requiring a report; providing an					

WHEREAS, the extraordinary and unprecedented global increases in the cost of fuel oil and natural gas, coupled with the state's rapidly growing population and increasing demands for electric energy, have brought into sharp focus the need to enhance fuel diversity, and

WHEREAS, the world growth in demand for fuel oil and natural gas may continue to have further impact on the cost and supply of these resources, and

WHEREAS, the impact of Hurricane Katrina on supplies of natural gas and fuel oil further substantiates the need to alter the balance of fuel diversity in connection with the generation of electricity in the state, and

WHEREAS, the federal Energy Policy Act of 2005 encourages the siting and operation of new nuclear generation by providing tax and other incentives to reduce the costs of such plants, and

WHEREAS, significant federally funded benefits and incentives available under the federal Energy Policy Act of 2005 are available to only the first 6,000 megawatts of new advanced nuclear reactor generating capacity licensed in the United States, and

 WHEREAS, operation of new nuclear power generation within the state, particularly if such generation is eligible for the tax and other incentives available under the federal Energy Policy Act of 2005, will benefit the state's electric customers, and

WHEREAS, existing provisions of the Florida Electrical Power Plant Siting Act are inadequate to address the unique issues of siting nuclear power generation within the state and securing benefits under the federal Energy Policy Act of 2005, NOW, THEREFORE,

COMMITTEE MEETING REPORT

Utilities & Telecommunications Committee

3/30/2006 9:45:00AM

Location: 404 HOB

PCB UT 06-01: Florida Public Service Commission Re-Write

X Favorable					
	Yea	Nay	No Vote	Absentee Yea	Absentee Nay
Bob Allen			X		
Thomas Anderson	X				
Bruce Antone			X		3.2701
Gustavo Barreiro	X				
Marti Coley	X				
Anitere Flores	X				
Denise Grimsley		7-7-512-11	X		
Bob Henriquez	X	1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 -			WW
Randy Johnson			X		
Stan Jordan	X				
Arthenia Joyner	X				
David Mealor			X		
Dave Murzin	X			******	
Curtis Richardson	X				
Yolly Roberson	X		##. # H	7. 7/10/2	
Shelley Vana	X				
Kenneth Littlefield (Chair)	X				
	Total Yeas: 12	Total Nays: 0			

COMMITTEE MEETING REPORT

Utilities & Telecommunications Committee 3/30/2006 9:45:00AM

Location: 404 HOB

Summary:

Utilities & Telecommunications Committee

Thursday March 30, 2006 09:45 am

HB 1199 Favorable With Committee Substitute

Yeas: 11 Nays: 4

Amendment 1 Adopted

Amendment 2 Adopted

Amendment 3 Adopted

Amendment 4 Adopted

Amendment 5 Adopted

Amendment 6 Adopted

HB 1339 Favorable With Committee Substitute

Yeas: 15 Nays: 0

Amendment 1 Adopted

HB 1471 Favorable With Committee Substitute

Yeas: 13 Nays: 1

Amendment 1 Adopted

PCB UT 06-01 Favorable

Yeas: 12 Nays: 0

Print Date: 3/30/2006 2:08 pm

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: SPONSOR(S): Attkisson

HB 1471

Florida Energy Diversity and Efficiency Act

TIED BILLS:

IDEN./SIM. BILLS: SB 2494

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) Utilities & Telecommunications Committee		Holt wash	Holt with
2) Fiscal Council 3) Commerce Council			
4)			
5)			

SUMMARY ANALYSIS

HB1471 creates the "Florida Energy Diversity and Efficiency Act," to govern the siting of new nuclear power plants. The Act is modeled after the existing Power Plant Siting Act, Chapter 403.509, F.S.

The bill streamlines the siting process while ensuring public input. The legislation also allows the Governor and Cabinet, sitting as the Siting Board, to assess the need and approve/deny the plant.

The bill consolidates all issues into one hearing before an Administrative Law Judge (local land use hearing is consolidated into ALJ hearing)

The definitions for "associated facilities" and "associated transmission lines," are broadened to create a single forum for "one-stop" permitting of all transmission issues. The bill also defines the scope of intervention in transmission line siting procedures in an effort to eliminate unnecessary delays.

Public Service Commission's (PSC) need determination is also included in the bill, and the bill imposes a 135day schedule on the PSC for issuing a need order. Issues are defined that the PSC can address in the need proceeding and requires the PSC to grant the utility's petition upon a finding that the plant will (1) provide needed baseload capacity; (2) enhance the reliability of production in the state by improving fuel diversity and lessening reliance on natural gas and oil; (3) mitigate air emissions and; (4) provide the most cost-effective though not necessarily the least-cost -generating alternative. Further, the bill excludes nuclear plants from the PSC bid rule.

Other provisions provide that once a need petition is granted, costs incurred shall not be subject to challenge unless and only to the extent the PSC finds, based on clear and convincing evidence offered at a hearing initiated by the PSC, that the utility was imprudent in incurring costs significantly in excess of the initial, nonbinding estimate provided by the utility.

The fiscal impact is unknown at this time.

The bill takes effect upon becoming law.

This document does not reflect the intent or official position of the bill sponsor or House of Representatives. STORAGE NAME: h1471.UT.doc

DATE:

3/23/2006

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. HOUSE PRINCIPLES ANALYSIS:

Maintain Public Security: Through the further diversification of the State fuel supply, the siting of new nuclear generation may lessen the dependence on any one particular fuel, in order to ensure power reliability.

B. EFFECT OF PROPOSED CHANGES:

Background

Department of Environmental Protection

Certification of nuclear fueled, steam turbine, electric power generation facilities is presently done under the authority of the Electrical Power Plant Siting Act (PPSA), ss. 403.501-403.518 and ss. 403.519, F.S. The PPSA is a centralized, coordinated licensing process. This process preempts all state, regional, and local permits and other authorizations that have jurisdiction for regulation and siting of industrial facilities. All affected agencies participate as parties to the process and all non-procedural requirements of the preempted agencies are included in the certification as conditions of certification.

The PPSA is highly procedural and includes a determination of need by the Public Service Commission (PSC) ss. 403.519, F.S., a mandatory land use hearing and a mandatory certification hearing by an administrative law judge, with ultimate approval/denial authority vested in the Siting Board (Governor and Cabinet). The DEP coordinates the process.

An administrative law judge is involved from the beginning, and the process is handled as litigation and requires the exchange of most documents as legal filings. Persons wishing to become formally involved in the process, for the most part, must become parties to the proceeding. Additional opportunities exist for public comment.

Public Service Commission

A precedent condition for a electrical project to proceed under the PPSA (s. 403.508(3)) is an affirmative determination of plant need from the PSC. In implementing the requirements of s. 403.508(3), the PSC has established rules controlling the information to be included in a petition for need and the schedule of administrative events in order to meet the requirements of the PPSA. Section 403.519, F.S., requires the PSC, in considering whether to approve a need petition, to take into account several criteria. These criteria include the need for electric system reliability and integrity; the need for adequate electricity at a reasonable cost; whether the proposed plant is the most cost-effective alternative available; available conservation measures which mitigate the need for the plant; and other matters within the PSC's jurisdiction.

In determining whether the proposed plant is the most cost-effective alternative, the PSC established Rule 25-22.082, F.A.C. Selection of Generating Capacity. This rule requires utilities to request bids for alternatives to its proposed plant in order to meet the identified need for power. The effect of the rule is to provide the PSC with more complete information about potential alternatives to the proposed power plant to use as a consideration in its deliberation of the project's cost-effectiveness.

Federal Legislation

The Energy Policy Act of 2005 provides significant financial incentives that may inure to the benefit of Florida consumers. These incentives, however, are limited to the first 6,000 megawatts of new nuclear plants constructed. To date, utilities in a number of other states have announced their intent to build new nuclear plants.

EFFECT OF PROPOSED CHANGES

STORAGE NAME:

h1471.UT.doc 3/23/2006 PAGE: 2

- Section 1. The act may be cited as the Florida Energy Diversity and Efficiency Act.
- Section 2. The bill provides legislative intent declaring that it is in the public interest and critical to the health, prosperity, and general welfare of the state and its citizens to promote the expansion of nuclear generation by the siting of new nuclear power plants and associated facilities within the state.
- Section 3. <u>Definitions</u>: The bill provides definitions as used in this act. The definitions are adapted largely from those used in the PPSA, with exceptions for using the term "nuclear" in lieu of "electric." Noteworthy, however, are the following definitions which are expanded from the PPSA for use in the act:
- (4) "Applicant" means any electric utility as defined under s. 366.8255(1)(a)¹, Florida Statutes, city, town, county, public utility district, electric cooperative, or joint operating agency, or combination thereof, authorized under Florida law to engage in the business of generating, transmitting, or distributing electric energy to retail electric customers in the state.

The regulatory approval of a nuclear plant in the bill only applies to retail serving utilities as defined in s. 366.8255(10)(a). This allows for the inclusion of municipal and rural electric utilities. Historically, no individual Florida municipal or rural electric cooperative has sought to construct a nuclear unit. However, joint ownership arrangements could exist, and these entities as a result could have ownership shares of future nuclear plants.

(21) "Nuclear power plant" means, for the purpose of certification, any electrical generating facility using any process involving nuclear materials, fuels, or processes and, at the applicant's election, includes associated facilities and associated transmission lines.

The definition includes, at the applicant's option, associated transmission lines which encompass not only lines and substations directly interconnected to nuclear plants, but any transmission upgrades or expansions on the state's transmission system. As a result, any grid-wide upgrades required to reliably handle the electric output of the proposed nuclear plant would be considered as part of the licensing process required under this act.

Three concerns were raised in this regard to the definition: 1) definition goes beyond the current definition of associated facilities contained in the PPSA. 2) references to the notice provisions and request for hearings use the term "nuclear power plant" and make no mention of "associated facilities. 3) in order for the Siting Board to comprehensively balance the cost and benefits of an new nuclear power plant, all directly associated facilities should be included in the application and evaluated by the reporting agencies, and should not be at the applicant's option.

The bill deletes the definitions used in PPSA for "person" and "sufficiency."

- Section 4. <u>Department of Environmental Protection; powers and duties enumerated</u>: Powers are designated to the DEP to adopt rules to implement the act provisions and conduct various studies. However, the concern was raised the bill provides DEP with no authority to issue final orders if not hearing is requested.
- Section 5. Applicability and certification: Provisions provide that the act applies exclusively to any new nuclear power plant and to any expansion in steam-generation capacity of any existing nuclear power plant. Any new construction and capacity expansion occurring after the effective date of this requires certification under this act. The bill provides an exemption from modification of certification for

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⁽¹⁾ As used in this section, the term:

⁽a) "Electric utility" or "utility" means any investor-owned electric utility that owns, maintains, or operates an electric generation, transmission, or distribution system within the State of Florida and that is regulated under this chapter.

changes to fuel make-up that result in no increase of generation capacity. The processing of any federally delegated or approved program shall be processed within the time constraints of the certification review.

Section 6. <u>Distribution of application; schedules:</u> The bill provides that:

- within 7 days after an site certification application (SCA) is filed, the DEP shall provide the applicant and the Division of Administrative Hearings (DOAH) the names and addresses of affected parties.
- within 7 days after an SCA is determined complete, the DEP distributes the processing schedules. (According to DEP, this could be 66 days after receipt of a SCA. See the correlating note in s. 8 regarding 45 days after receipt for a SCA completeness determination.)
- within 7 days after DEP provides the names and addresses of the affected parties, the applicant distributes copies of the application to all affected parties.

Section 7. Appointment of administrative law judge: The bill provides that:

- within 7 days of receipt to the SCA, the DEP request DOAH to designate and administrative law judge (ALJ).
- within 7 days of receipt of the DEP request, DOAH appoints an ALJ.

Section 8. Determination of completeness: The bill provides that:

- within 30 days of distribution of the SAC, agencies are to submit recommendations on completion to DEP
- within 45 days of distribution, the DEP submits its statement on completeness with the applicant and DOAH. (The bill combines at this point the determination of completeness and the determination of sufficiency which are separate concepts in PPSA).

If a finding of incompleteness is declared, the applicant may: 1) withdraw SCA or amendment, or 2) within forty days or such later date as authorized by department rules, file additional information (DEP then has thirty days to issue a second completeness finding), or 3) ask for additional time to file additional information, or 4) ask for an administrative hearing. If a hearing is requested, the request must be filed within fifteen days. If a hearing is requested, the request must be filed within fifteen days. The hearing shall be within twenty-one days of request and ALJ's decision to be within ten days of end of hearing and all processing time-clocks are tolled until the ALJ's decision.

Section 9. Preliminary statements of issues, reports, and studies: Affected agencies within 45 days of SCA distribution are to file preliminary statement of issues. Statutory agencies, or any other agency, must submit agency reports within 60 days of completeness. All proposed conditions of certification shall specify specific statute, rule, or ordinance which authorizes the condition. No condition may be included in the conditions of certification without such specific authorization.

DEP issues a written analysis 85 days after application determined complete. Analysis contains statement of compliance with agency rules, copies of studies and reports, comments from other agencies or persons, DEP recommendations on disposition of the application, variances or exemptions and exceptions, and DEP's recommendation of federal permits.

Section 10. Notice of department recommendation, petition for certification hearing: DEP and the applicant shall publish notice of DEP's recommendation on the SCA and any associated facilities in newspapers of the affected areas. (In correlation with section 4, if no hearing is requested, DEP's believes it final order would not be challengeable).

Section 11. Certification proceedings, parties, participants: If any party or person whose substantial interest are affected files a petition for a certification hearing within 14 days after DEP's SCA recommendation. It is unclear the definition of "person" since the term was deleted from the definitions.

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A certification hearing shall be held by the designated ALJ no later than 260 days from the date the application is filed with DEP. An affirmative determination of need by the PSC shall be a condition precedent to conducting a certification hearing.

Except when good cause is demonstrated, the failure of any agency to submit a preliminary statement of issues or a report or proper submission shall not be grounds for the alteration of any time limitation in the act. Moreover, neither the failure to submit a preliminary statement of issues, or a report, nor the inadequacy of the preliminary statement of issues or report shall be grounds to deny or condition certification.

Further, the bill outlines the parities to the certification proceeding.

- Section 12. <u>Final disposition of application</u>: If no certification hearing is held, or within 60 days of ALJ's recommended order following a certification hearing, the SB must approve or deny issuance of a certification by written order, If denied, the reasons for denial are to also be included in the order. Criteria are provided upon which the SB is to consider whether an SCA is to approved in whole, with modifications or conditions, or denied. If certification is denied, the SB is required to set forth in writing actions needed to secure approval. Concerns were raised in this section concerning: 1) that the bill does not contemplate fatal error that cannot be fixed; 2) that only parties to the proceeding may appear before the SB thereby creating a situation that is contrary to Government in the Sunshine; 3) that local comprehensive plans are to be overridden by the SB to allow the project at the selected site.
- Section 13. Alteration of time limits: The provisions in this section are identical to the PPSA.
- Section 14. Superseded laws, regulations, and certification power:
- (1) If any provision of this act is in conflict with any other provision, limitation, or restriction under any law, rule, regulation, or ordinance of this state or any political subdivision, municipality, or agency, this act shall govern and control, and such law, rule, regulation, or ordinance shall be deemed superseded for the purposes of this act.
- (2) The state hereby preempts the siting, regulation, and certification of nuclear power plant sites and nuclear power plants as defined in this act.
- (3) The board may adopt reasonable procedural rules pursuant to ss. 120.536(1) and 120.54 to carry out its duties under this act and to give effect to the legislative intent that this act is to provide an efficient, simplified, centrally coordinated, one-stop licensing process.
- Section 15. <u>Effect of certification</u>: The majority of these provisions model the PPSA. However, concern was raised that agencies have 60 days after completeness to notify an applicant that a variance, exemption or other relief is needed. This is the same date agency reports are due. It appears the bill offers no response time to the applicant, and no time is given to DEP to include the additional information into the DEP report.
- Section 16. Notice; costs of proceeding: The provisions of this section model the PPSA.
- Section 17. Revocation or suspension of certification: The provisions of this section model the PPSA.
- Section 18. Review: The bill provides that proceedings under this act shall be subject to judicial review in the Florida Supreme Court. Separate appeals of the certification and federally delegated or approved permit programs shall be consolidated for purposes of judicial review. Review on appeal shall be based solely on the record before the board and briefs to the court and shall be limited to determining whether the certification order conforms to the constitution and laws of this state and the United States and is within the authority of the board under this act. The Supreme Court shall expeditiously as practicable review the case. Concern has been raised regarding this provision creating an avenue of appeal contrary to the requirements of section 10.

- Section 19. <u>Enforcement of compliance:</u> The provisions of this section model the PPSA.
- Section 20. Availability of information: The provisions of this section model the PPSA.
- Section 21. <u>Modification of a certificate</u>: The majority of this section models the PPSA. The DEP proposed clarifying the language in regard the initial request to specify who makes it and how, as well as what is needed to irely accomplish a modification.
- Section 22. <u>Supplemental applications for sites certified for ultimate capacity:</u> The majority of this provision models the PPSA.
- Section 23. <u>Fees; disposition</u>: The bill provides fee provisions similar to the PPSA. However, the DEP noted that the fees are too low, and that DOAH receives it full fee even if there is no hearing.
- Section 24. Exclusive forum for determination of need: The provisions of this section are similar to the PPSA. The PSC is the sole forum for determination of electrical need. Section 403.519 reads in part:

In making its determination, the commission shall take into account the need for electric system reliability and integrity, the need for adequate electricity at a reasonable cost, and whether the proposed plant is the most cost-effective alternative available.

The bill proposes new language is s. (2)(a) that reads:

In making its determination to either grant or deny a petition for determination of need, the commission shall consider the need for electric system reliability and integrity, including fuel diversity, the need for base-load generating capacity, and the need for adequate electricity at a reasonable cost.

According to the PSC, it has and can examined fuel diversity and type of generating plant that is being requested as part of its consideration of a ed petition. The bill however makes fuel diversity and baseload generating capacity specific criteria.

Section (2)(c) has outlined that the Commission "shall grant" a petition for need if it finds that the proposed nuclear plant will: 1) provide needed baseload capacity, 2) enhance the reliability of electric power within the state and reduce Florida's dependence on fuel oil and natural gas, and 3) provide a "cost-effective, although not necessarily the least cost source of power, taking into account the need to improve the balance of fuel diversity, reduce Florida's dependence on fuel oil and natural gas, mitigate air emission effects within the state, and contribute to the long-term stability and reliability of the electric grid."

However, the PSC has limited expertise but no jurisdiction as it relates to mitigation of air impacts within the state. It does however consider environmental costs associated with proposed power plants.

Section (3) exempts nuclear plants from the FPSC Rule 25-22.082, Selection of Generating Capacity. This rule requires utilities prior to requesting a determination of need to solicit bids from alternative providers of generating capacity. The effect of the rule is to provide the PSC with more complete information about potential alternatives to the proposed power plant to use as a consideration in its deliberation of the project's cost-effectiveness. Requirements of the bid rule can be waived upon a showing by a public utility and a finding by the PSC "that a proposal not in compliance with this rule's provisions will likely result in a lower cost supply of electricity to the utility's general body of ratepayers, increase the reliable supply of electricity to the utility's general body of ratepayers, or otherwise will

serve the public welfare." The exemption of nuclear units from this process would reduce the amount of time necessary to proceed with a need hearing.

Section (4) addresses procedural issues. First, the PSC's final order will serve as the report that must be submitted to the DEP under Section 9(2)(a)2. After consideration of any Motions for Reconsideration, a party may appeal the final PSC's order to the Florida Supreme Court. Any such appeals must be based on the record before the PSC and the issues to be considered are limited to whether the order "conforms to the constitution and laws of this state and the United States and is within the authority of he Commission under this section." It also directs the Supreme Court to hear such appeals as "expeditiously as possible".

Section (5) outlines cost recovery with specific direction that once the need determination has been granted, the utility has the right to recover any costs associated with "siting, design, licensing, or construction of the plant...." The only mechanism for permitting any disallowance of costs would be based on the PSC finding of imprudence in the utility's "siting, licensing and construction" of the plant. According to the PSC, it currently uses a standard to determine prudence based on a "preponderance of the evidence." This bill creates a more difficult "clear and convincing" evidence standard that must be applied by the in determining what expenditures could be deemed imprudent. Section 24(5) also states that imprudence may not be found for any costs outside the utility's control and then proceeds to enumerate a list of such events "including, but not limited to" delays in getting necessary permits, litigation delays, construction and equipment costs, or changes in laws or regulations.

Under traditional ratemaking practice, expenditures for any pre-operational costs to build power plants would accrue in a regulatory account and when the plant becomes operational, all costs in this account would become part of the total plant cost that could be placed in rate. PSC practice does allow public utilities to request early cash flows to occur for power plant construction costs upon a showing that the utility would suffer financial hardship without such early recovery of costs.

Further, the PSC points out that while it is unlikely that any municipal or cooperative utility would initiate a need determination for a nuclear unit, the provisions of this act would appear to apply to them. As a matter of administrative review, all of the provisions of this bill could appropriately apply to municipal or cooperative utilities, except for the cost recovery provisions contained in 24(5). The PSC does not have any authority over how and what time period municipal or cooperative utilities finance power plants and recovery pre and post construction costs.

Section 25. This act shall take effect upon becoming law.

C. SECTION DIRECTORY:

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

- A. FISCAL IMPACT ON STATE GOVERNMENT:
 - 1. Revenues:

None.

2. Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

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The fiscal impact is yet to be determined.

2. Expenditures:

The fiscal impact is yet to be determined.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

The fiscal impact is yet to be determined.

D. FISCAL COMMENTS:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

This bill does not require counties or municipalities to spend funds or to take an action requiring the expenditure of funds. The bill does not reduce the percentage of a state tax shared with counties or municipalities. This bill does not reduce the authority that municipalities have to raise revenue.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

Rulemaking authority is granted to the DEP to implement the provisions of the act.

C. DRAFTING ISSUES OR OTHER COMMENTS:

According to the DEP, the act would apply to any electric power generation that is fueled by a nuclear process. Whereas the PPSA only applies to steam turbine electric power generation (including nuclear fueled). However, all nuclear fueled electric power generation is by steam turbine.

The deletion of the reference to nuclear fuels in the PPSA does not relieve a generation facility producing steam turbine generated electric power from the need for certification under the PPSA. This means two certifications would be required: one for the steam turbine generation (PPSA), and one for the use of a nuclear fuel (EDEA). Two certifications require two fees. Since the two applications would be virtually identical, all other processes could carry forward as one, however, all official documents would have to be produced and processed separately for each act.

IV. AMENDMENTS/COMMITTEE SUBSTITUTE & COMBINED BILL CHANGES

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